

June 17, 2022

Michael Martin  
United States Department of Transportation  
Office of Aviation Analysis  
1200 New Jersey Ave SE  
Washington, DC 20590

SkyWest Airlines' Essential Air Service Proposal for Alpena, Michigan

Dear Mr. Martin:

Attached is SkyWest Airlines' proposal to provide air service from Alpena, MI (APN) to the Minneapolis-St. Paul International Airport (MSP) and/or Detroit Metropolitan Wayne County Airport (DTW).

SkyWest welcomes the opportunity to continue service to the Alpena community. Our combination of safe and reliable aircraft, well-timed schedules, and access to one of the world's largest airline networks will continue to provide passengers with quality air service and further stimulate economic growth in the region.

As directed by the RFP, we would expect to offer 12 round-trip flights per week for a two-year term utilizing 50-seat CRJ200's branded as Delta Connection. If necessary, during the contract period, SkyWest may work with an affiliate to provide 30-seat CRJ200 jet service under 14 CFR Part 380 public charters. In the event this affiliate jet service becomes available, SkyWest will closely coordinate with Alpena and USDOT on necessary waivers and applications. A transition of service will be subject to USDOT and community approval.

Thank you for your consideration.



Wade Steel

Chief Commercial Officer

SkyWest Airlines

**SkyWest Airlines**  
**Essential Air Service Bid**  
**6/17/2022**

	APN
	DTW/MSP
Number of round trips per week	12
Aircraft type	CRJ - 30 or 50 Seat

**Passenger Revenue**

Passengers	21,840
Average fare	\$ 90.00
Revenue	\$ 1,965,600

**Block Time**

Trip block time (minutes)	65
Total scheduled block time	1,342
Total completed block time	1,301

**RPMS**

Passengers	21,840
Stage length	198
Total RPMs	4,324,320

**ASMs**

Scheduled departures	1,248
Competed departures	1,211
Stage length	198
Available Seats	50
Total ASMs	12,355,200

Revenue	\$ 1,965,600
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Marketing Costs	\$ 20,000
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Direct operating expenses	\$ 4,234,451
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Departure related	\$ 2,741,154
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ASM related	\$ 115,150
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Total expenses	\$ 7,110,755
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Operating income (loss)	\$ (5,145,155)
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5% profit margin	\$ 355,538
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<b>Annual subsidy requirement</b>	<b>\$ 5,500,693</b>
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**SkyWest effective rates per unit**

Subsidy per trip	\$ 4,544
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Subsidy per passenger	\$ 252
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<b>Load factor</b>	<b>35%</b>
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